

Nambucca Heads Island Golf Club Ltd

79 002 470 582

For the Year Ended 30 June 2023



Nambucca Heads Island Golf Club Ltd ABN 79 002 470 582

Annual Report 2023

For the Year Ended 30 June 2023

Notice is hereby given that the Annual General Meeting of the Nambucca Heads Island Golf Club Limited will be held on Sunday 19th November 2023 commencing at 10.00am in the Auditorium at the premises of the Golf Club on Stuart Island, Nambucca Heads, New South Wales.

OFFICE BEARERS 2022-2023

President:	Mr Geoff Harris
Vice President:	Mr Malcolm McGoldrick
Treasurer:	Mr Andrew Johnston
Golf Director:	Mr Geoff McCann
Directors:	Mrs Wendy Avery
	Mrs Judy Boyle
	Mr Geoff Brooks

Nambucca Heads Island Golf Club Ltd

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For the Year Ended 30 June 2023

WE WISH TO THANK OUR MAJOR SPONSORS FOR THEIR SUPPORT

Ingenia White Albatross

Ecomist

Good Time Charlies

Toyota Service Advantage

Nambucca Newsagency

Golden Sands Tavern

Allied Air Conditioning

Macksville Mitre 10

North Coast Boating Centre

Nambucca Valley Care

Nambucca Plaza Butchery

Nambucca Glass

Pizza This Pizza That

McGrath

Drew Walker Plumbing

Nambucca Smash Repairs

Midcoast Trucks

Nambucca Local Liquor

Marcel Towers

Treasury Wines

Home Instead

Nambucca Valley Property

Lion

BMW Carpets

Eyecare Plus

Terminator Ant & Pest Control

InFill House & Land

Laverty's Funerals

**We would also like to thank Daily Competition
Sponsors and the many members who support us by
sponsoring individual days.**

Thank You!

AGENDA - ANNUAL GENERAL MEETING

Sunday 19th November 2023 at 10.00am.

Copies of the Club's Financial Statements are available from 1st November 2023 at the Office, or by email request, and are posted on the Club's website: www.namgolf.com

BUSINESS

1. Opening and Welcome
2. Attendance, Quorum and Apologies.
3. Receive and confirm the Minutes of the Annual General Meeting held on Sunday 20th November 2022.
4. Receive and adopt the Reports of Directors and Office Bearers.
5. Receive and adopt the Balance Sheet, Statement in Changes of Equity, Income Statement, Cash Flow Statement, Notes to the Accounts, Director's report, Director's Declaration and the Independent Audit Report.
6. Notify the result of Ballot and Declaration of Office Bearers for 2023-2024.

President – Geoff Harris, unopposed

Vice-President – Kel McGoldrick, unopposed

Treasurer – Gary Scott, unopposed

Golf Director – Geoff McCann, unopposed

Directors – Geoff Brooks, Wendy Avery, Lyn Parkes, unopposed

7. To elect Office Bearers to any vacant position following the declaration of Office Bearers.
8. To consider Notices of Motion received by the Nambucca Heads Island Golf Club Ltd.
 - a) Nomination of Malcolm McGoldrick (Kel) to become a Life Member of NHIGC for his constant support and contribution to the Club, received 26th September 2023.

Notice of Motion 1

Preamble: It is moved by Geoff Harris (432) and seconded by Geoff McCann (1333) that Kel McGoldrick be considered for Life Membership which was accepted and recommended by the Board of Directors at the September 2023 Board meeting. We note that Kel McGoldrick was absent from this meeting.

For the Year Ended 30 June 2023

Preamble: Kel McGoldrick has been an active board member along with an active member of several committees since joining the Club. He first served on the board in 1983 and had a further series of stints from 1997 through to 2014. He is now serving a term that commenced in 2018 and in total he has completed 11 years as a board member. He has survived many up's and down's and has witnessed the very good times and the very bad. His dedication to our club has never waned and he has maintained a strong and supportive position throughout the past 40 years.

Kel's contributions to the club include and not limited to:

- his support with his time and expertise as an electrical contractor. Almost all of the electrical work required at the club has been completed by Kel and invoices, if or when received, detail cost of goods only. Over the past 40 years his voluntary work would amount to many hundreds of man hours.
- Project manager or liaison with tradespersons has resulted in do the job at the right price.
- House Committee Chair and committee member - organizing a considerable number of social functions at the club. These have included Christmas functions, Island Sundays, Howl at the moon and many other "for no reason at all" functions. Such activities have created enhanced sociability for members and guests and his enthusiasm has rubbed off on many who have attended. He has organized musical entertainment, catering arrangements and "drummed up" numbers to populate such events. These functions have made a major contribution to the social fabric in our club.
- Kel and his wife Kay were also very active for a number of years in assisting to run some of the major golf events held annually by the club most particularly the Island Classic. Their enthusiasm in attracting sponsors saw them engage with the local business community and this, in turn, added to the profile of the club in the Nambucca Valley.

All tasks undertaken have been completed without fuss and/or bother and thanks or recognition has never been sought.

9. General Business.

PRESIDENTS REPORT

It is again a pleasure and a privilege to present this report to members of the Nambucca Heads Island Golf Club for the trading year 2022-2023.

Inclement weather in July was a bad start to the year but we did enjoy very good playing conditions from then on. Our revenue grew to \$3.1M for the trading year and this was a \$600K increase from the previous year. This result is very pleasing and indicates that traffic through our venue is growing strongly.

FINANCIAL RESULTS AND TRADING CONDITIONS

The financial statements contained elsewhere in this report show more detailed information and I urge you all to read these and review the numbers there-in. You will note that we traded at a loss \$17,628.00 for the year but our cash position improved. This trading loss is unsurprising as we completed two major projects during the year those being the new entry bridge and the new carpet throughout the club house. Both were badly needed. Increasing the total value of fixed assets increases depreciation and this year the figure totaled \$168K. In addition the cost of repairs and maintenance increased by \$93K from the previous year. Both of these items have a negative effect on our profit and loss statement.

CAPITAL WORKS

As mentioned above some major capital works were undertaken during the past year. The new entry bridge and the new carpet are mentioned above. In addition there were continuing kitchen upgrades and various course improvements.

In order to conserve cash flow your Board has resolved to limit capital works to essential items only during the ensuing trading year.

STAFFING

We are fortunate to have a dedicated group of staff who are very capably led by our General Manager Johnathon. A talented group of younger staff are now stepping up and they are motivated and keen to do well. It has been a very rewarding experience to witness their development.

Thanks go to Veronica and Stuart for their efficiency in our administration office. Their work is completed in a quiet and diligent manner and they are both dedicated to our club.

During the year Kyle was appointed to the role of Operations Manager and we also welcomed Kellie as our events and marketing officer. Both have settled into their new roles comfortably.

BAR

As mentioned above our bar team are young and enthusiastic and are setting a very high service delivery standard. Thanks and well done team.

During the year we completed a review of supplier contracts and this resulted in an even greater variety of beers and wines for members and guests to savor. This raised the level of offerings in the club. Our turnover and sales increased significantly as a result of these improvements and suppliers are still using our club as an example to others of what can be done in this area of business.

RESTAURANT

A continual increase in our restaurant trade has continued and revenue from this area of our business has been instrumental in driving our turn over up during this trading period. We have certainly increased traffic and this allows us to generate funds from sources other than from members. Our facility is still regarded as the best place to eat in the Nambucca Valley. Congratulations to Craig and his team for an excellent years work.

COURSE

Greg and his team have again completed a great year's work on the course. Members would note that many trees have been either trimmed or removed and this has eliminated some dangers on the course and has also made it more user friendly.

Greg's attention to detail has again been evident during this past trading year and we thank and congratulate him for his excellent work. He has managed to keep our course in great condition without some of the equipment needed to do so and we are mindful of the need to review these requirements at the earliest opportunity. There have been some staff changes during the year and we welcome Clint Lavender to our club and he is offering valued support to Greg.

The continuing volunteer effort from Peter Miller on the rough mower is noted with sincere thanks and we congratulate all the team for their good work this year.

BOARD OF DIRECTORS

The very most important thing about your board is that they are totally dedicated to our club. They are co-operative, cohesive and considered in all matters raised and they always arrive at a clear and unanimous resolution to all matters requiring their attention. It is a pleasure for me to work with them all and I thank them for devoting their time and effort to our club.

I advise that Andy Johnston resigned from the board on 14th October. This vacancy will be filled at the AGM. As you would all know Andy has been instrumental in assisting the board into financial recovery and his time and effort in the Treasurer's role has gone beyond that expected of a volunteer. He has indicated that his busy schedule next year would not permit him to devote the time needed to complete these duties.

Board Member Judy Boyle has elected not to stand for the 2023-24 year. Judy's input has been valuable on the House and Greens Committees over several years and her

contributions at Board level will be missed. We thank Andy and Judy for their service and wish them well with their endeavours and golf into the future.

LADY GOLFERS

Ladies Present Jan has outlined the activities of the lady golfers elsewhere in this document and it is always pleasing to note that the sociability enjoyed by them continues. Well done ladies, you are integral to club operations.

THE SQUASH CLUB

Bruce and his team continue to provide the squash facility to the community and we thank them for that and for their ongoing support of our club. His report is also contained elsewhere in this document.

PRO SHOP

Paul and his staff have continued to offer great service to members and guests during the past trading year. We welcome Grant to Paul's team and note that many lessons are now underway and members have been keen to avail themselves of this opportunity. Very good reports are coming to us and we look forward to better scores as technique improvements kick in. It was also pleasing to note that Darcy is doing extremely well in USA and will join the pro tour next year.

SPONSORS

Our club is very grateful to our large contingent of sponsors. They provide us with additional financial support and connect us to the community. They, in turn, rely on us, the members, to support them whilst going about our daily business. Their ongoing support enables us to upgrade and develop our facilities and we look forward to enjoying the ongoing relationship we share with them during the next twelve months.

VOLUNTEERS

As reported last year we believe that there are close to 50 volunteers who give their time freely to our club. Each and every one is valued. Counted in this number are Board and Committee persons but also Greg's work Gang and Peter Miller, (Dave) Steptoe and Son, Robyn's Garden Guru's, Bus driver Paul McElhinney, and The Scorers who assist with cards on match days. Well done and thank you to all.

OTHER MATTERS

I am pleased to advise that our efforts to assist the Nambucca Heads Bowling and Recreation Club have been satisfying and they are now operating quite strongly and have settled into a new operating structure. Both clubs have agreed to enter into a consultancy agreement and this will be for General Manager Services only and will be restricted to a fixed number of hours per week. This will give them some ongoing support with administration services.

For the Year Ended 30 June 2023

I can also confirm that we are continuing to negotiate the terms of a management agreement with the Macksville County Club. Final details of such an agreement have not been settled as I write this report but both clubs are committed to getting this done. We will keep members up to date with developments as they continue.

As you would all be aware Johnathon has devoted many hours to these projects and his efforts are now being rewarded. He is enjoying the challenge and it has been rewarding to witness his dedication and remarkable management ability. We offer him our thanks and congratulations for his excellent work particularly in this area of our business.

SUMMARY

The Board is very grateful for your support and our focus is always on improving our facilities for members and guests and ensuring the financial stability of our club will be maintained into the future. We understand that we are merely the custodians of our club for this small “snap shot” in time and we have a responsibility to service not only the current members but also leave a strong facility for the future generation of members who will follow. We do believe that we have the model right but we are always mindful of the need to continue to evolve.

On behalf of the Board I thank you all for your support during the year and I wish you all good golfing into 2024.

Geoff Harris,
President.

GOLF DIRECTOR'S REPORT

What a difference a year makes! Now that the problems associated with Covid and continual years of unusually wet weather are behind us, we have been able to focus on growing our Golf business. Across both social and competition golf, there has been a marked increase in patronage and participation. Our Competition rounds have increased by 18% to around 13,000, and Social rounds (including some Silver & Bronze members) have increased by about 25% to around 10,000. This is reflected in the marked improvement in Green and Competition Fees in the Financial Report. Our social golfers provide a substantial financial contribution to our Club's profitability, and in helping to keep your Annual Membership Fee to very reasonable levels – we need to continue to foster this element of our business and make all our visitors feel most welcome to the Island.

Your Golf Operations & Match Committees have worked hard to provide Members with a wide choice of different Competitions to maintain your interest, and it is pleasing to note there has been an increase of around 30% in participation in our optional events including the Eclectic, Top Gun Shootout, Skins Knockout, Singles & 4B Knockouts, and the “Island Challenge” series. This resurgence of enthusiasm for the game and its variations has prompted us to register for the Lend Lease sponsored “Handiskins” game, with 44 players

now participating for a Prize Pool of \$1,200 – a great effort for our first time. Thanks to Ray Guiana for his enthusiasm in getting this event off the ground. I'd love to see more Ladies participating next year – Sue Brooks is currently equal leader going into the final round.

Being mindful of our ageing membership, another innovation has been the formalisation of the shorter "Gold" course, allowing the option of playing a shorter course in Competition with less water carries for those players who no longer have the confidence to hit across these penalty areas from the tee. A number of Members are now using this option on a regular basis with renewed enthusiasm for the game.

A major project for our Greens Staff has been the long awaited refurbishment of the 1st Fairway – unfortunately, the good weather has been a double edged sword, with lack of meaningful rain since re-sowing in April slowing the grass re-growth. Temporary workarounds during re-furbishment included making the Hole a par 3 with Temporary Tees pending seed germination, then permitting Tee-up on the Par 4 hole as the growing commenced. I commend all members for their understanding and patience during this period. Major works planned for the coming financial year include the replacement of our fleet of leased course machinery, repairs to the course watering electrics system and exposed bunker matting on some holes.

Peter Thomson, Australia's champion professional golfer, wrote: "A club without a history is a club without a soul". Most of you will be aware from our table and Facebook advertising that Mike Post has been building on Pat Ellis' work in compiling information and photographs about our Club's history, with a view to formalising this information in digital and visual display in readiness for the replacement Trophy Cabinet. Feel free to contact Mike if you feel that you can contribute in any way – email: pbo51685@gmail.com – don't delay, Mike is nearing completion of his research, so get in touch now – you never know, you may have a "gem" to contribute.

The Club has hosted a number of Major Events during the year including the Golf NSW MNC Open Championships in February, Men & Women's Pennants in May / June, and the NSWVGA Vets Week of Golf in July, as well as numerous other Open Days in the Men & Women's calendar. Our Club is well recognised as one of the best Golf Courses and Hospitality venues on the Mid North Coast – a tribute to the hard work of our Greens & Functions staff.

This year, we were a bit over-optimistic in fielding 4 Teams in the MNC Men's Pennants – unfortunately, player work commitments intruded on our ability to field competitive teams in the lower Divisions, having to re-allocate players weekly between Divisions. However, all players represented our Club in a very competitive spirit, and we did manage to get our Division 3 Team to the semi-finals, where they lost to Sawtell on their home course. A huge thanks to Andrew Mackinnon for the overall co-ordination and management of our Pennant Teams.

In July, we hosted the Annual Vets Week of Golf – the popularity of this Tournament is demonstrated by it being fully booked out since February. The tournament is extremely

For the Year Ended 30 June 2023

financially rewarding for both the Town and the Club, and its continuing success is a great advertisement for our Club as these Grey Nomads travel around the country. My heartfelt thanks to the Tournament Committee, in particular, our Registrar, Coral McCann, with assistance from Lyn Vidler & Sue Brooks, and our Course volunteers Alvin Rapley, Wendy Avery, Donna & Col Easey. The cakes & slices provided by our Ladies for morning teas are amazing – thank you everyone for your contributions.

I acknowledge all of our Major Sponsors named on the inside page of this report. In addition, members sometimes don't recognise there are numerous other members and businesses that chip-in to ensure that many of your weekly events have sponsorship – Philip Mander (4BBB K/O), Geoff Harris (Singles K/O), Christian Knight (Skins K/O), Geoff McCann (Eclectic), Willams Group - Glen Crow (Men's Open), Lyn McCoy & Family (Kerry McCoy Cup), Greg McCoy (Ham & Turkey Day, Ian Vidler Trophy), Andrew Donovan's popular "Ecomist" Longest Putt on 2, Stuart Johnston's NTP on 15, and all our monthly "Island Sunday" members.

One thing that does disappoint me greatly is the reluctance amongst our men golfers in taking some responsibility for the day to day running of Men's Golf. We have over 270 Men golfers, and at present, the men's competition management comprises 2 ladies (who will not be continuing!) and only 3 men. In this regard, I am indebted to Sue Brooks for her commitment in assuming the Club Captain's position, thereby allowing myself more freedom from day to day competition management to fulfil the more strategic role as the Club's Golf Director. My thanks also to your scoring volunteers, Coral McCann, Ray Guiana, Andrew Mackinnon & Clyde Johnston. C'mon gents, please consider giving back to your Club and sharing the load through nominating for Club Captain (no Board responsibilities!) or Match Committee - surely a few hours on 1 or 2 days a month after your golf is not too much to ask?

I would encourage all Members to take the time to read the Weekly Golf Report – the golf results section appears weekly in the Nambucca Valley News, the full version, including a "Golfing Update" page, is available on your Member's Portal and Club Notice Board. The Golfing Update page is usually on display at the score entry Kiosks, and will keep you updated with golfing matters, such as local rule changes & clarifications, coming events etc. Don't forget, if you have a Rules query, don't rely on your mates for the correct answer, try "Google", if still not sure, ask your Match Committee. If you have trouble using the Member's Portal, please refer your problem to our Office staff.

It is quite amazing to see what has been achieved over the last few years – due in no small measure to the leadership, guidance & counsel provided by our General Manager, Johnathon Zirkler, the continued excellence of course presentation by Greg Jager and his small team, back office assistance and support from Veronica & Stuart, and our ever friendly and efficient Bar & Restaurant staff. Thanks also to Paul Habgood and staff for providing your complete range of Golf Professional services as well as managing your competition entry fees and the popular Pro Pin Jackpot on the 18th. Grant Rickwood's golf lessons have

proved to be very popular, and we are exploring options to starting a Junior program in conjunction with Macksville GC. This Club is very lucky to have a very committed and forward thinking Board of Directors, and I thank them for their support relating to matters of Golf during the year.

Unfortunately, our Financial Year does not coincide with our Golfing Calendar, so I have provided a record of 2023 Champions and various golfing achievements to date at time of writing. Congratulations to all those mentioned in despatches. For the rest of you all, without your participation, we don't have all these very successful major events, so thank you all for contributing to the on-going prosperity of our Golf Club, and good golfing in 2024.

Geoffrey McCann

Golf Director.

2023 GOLFING HALL OF FAME

GOLFING ACHIEVEMENTS - LATEST RESULTS AS AT 22/10/2023

MNCDGA Men's CHAMPIONSHIP: Champion 2023 - Rob Parfett (South West Rocks) 69 scratch

Division 1 (+6 to 3)	Aden Louez (Coffs Harbour)	70 net
Division 2 (4 to 8)	Michael Wood (Coffs Harbour)	75 scratch
	Stuart Johnston (Nambucca Heads)	67 net (c/b)
Division 3 (9 to 14)	Wade McBaron (Nambucca Heads)	81 scratch
	Geoffrey McCann (Nambucca Heads)	69 net
Division 4 (15 to 20)	Shane Holten (Kempsey)	90 scratch
	Andrew Donovan (Nambucca Heads)	74 net
Division 5 (21 to 36)	Leslie Mohr (Nambucca Heads)	99 scratch
	Gary Laing (Nambucca Heads)	77 net

VETS WEEK OF GOLF: The NSWVGA (Ian Vidler Memorial) SHIELD was awarded to Lance Pedrana (Maclean) & Cathy Harrison (Bundaberg). Hole-in-One: Trish Melnik (Everglades) on 13th.

EASTER BOWL: was won by Dennis Ashton & Denise Paluch.

ISLAND CLASSIC:	Men: Overall Winner:	Justin Ely (Hunter Valley)
	Div 1 winner:	Stuart Johnston 70 Net
	Div 2 Winner:	Joe Street 73 Net
	Div 3 Winner:	Colin Easey 74 Net
	Women: Overall Winner:	Katrina Skinner-Oyston (Maitland)
	Div 1 Winner	Tiffany Paul (Crescent Head) 78 Net.

Nambucca Heads Island Golf Club Ltd

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For the Year Ended 30 June 2023

NAMBUCCA MEN'S OPEN: Overall Winner: David McBaron

Net Winner: Glen Gillon

MEN'S FOURSOMES CHAMPIONS: Troy Herbert & Kai Burkenshaw

WOMEN'S FOURSOMES CHAMPIONS: Henny Oldenhove & Denise Paluch

MIXED FOURSOMES CHAMPIONS: David McBaron & Lisa Guest

MEN'S CHAMPIONSHIP 2023: Club Champion: Stephen Carr

"B" Grade Champion: Nathaniel Beverley

"C" Grade Champion: Bruce Mason

Junior Champion: Ashton Herbert

WOMEN'S CHAMPIONSHIP: Club Champion: Kerrie Eichorn

"B" Grade Champion: Kerrie Jackson

"C" Grade Champion: Kay McGoldrick

MEN'S ECLECTIC: Gross Winner: *Play off 4/11/2023.*

Net Winner:

WOMEN'S ECLECTIC: Div 1: Kerrie Eichorn & Heather Gray 48

Div 2: Ann Anrcliff 44

Div 3: Joy Green & Shayne Scott 43

MEN'S MEDAL OF MEDALS: *Play off 4/11/2023*

WOMEN'S MEDAL OF MEDALS: *Playoff 8/11/2023*

MEN'S SINGLES KNOCKOUT: Joe Street

MEN'S 4BBB KNOCKOUT: Peter Moxon & Nathaniel Beverley

SKINS KNOCKOUT: Gary Laing

HANDISKINS: *Play Off 19/11/2023*

TOP GUN SHOOT OUT Men *Play off 12/11/2023*

Women *Play Off 12/11/2023*

HOLE IN ONE: Trevor Hopkins, Malcolm McGoldrick, Stuart Johnston.

David Rosser, Susan Barnett, Trish Melnik, Donna Easey.

WOMEN'S GOLF REPORT

Nambucca Heads Lady Golfers have had a wonderful golfing year both on and off the course. As always the ladies are enjoying the challenge of the game and appreciate being able to spend time with friends.

The ladies have a full golfing calendar. It is well organised and thanks must go to Captain Jenny Thorne and Vice Captain Sur Brooks for the many hours they put in to make this happen. Secretary Coral McCann efficiently keeps our business in order. We are financially very sound and we thank Sue O'Donnell for her role as treasurer over the past nine years. This is a generous and much appreciated contribution to ladies golf at Nambucca Heads. Sue has decided to step down from this position and on behalf of all our lady members I thank her most sincerely for her work over the years. Our committee members Wendy Avery, Linda Piccin and Lyn Parkes have worked in the team with a 'nothing is too much trouble' attitude and as a result the committee has been cohesive and strong.

Our Opening day in February and Open Day in August were very successful with large numbers of visitors attending. In August sixteen clubs were represented from the Mid North Coast and further afield. Nambucca Heads Golf Club is a very popular destination amongst lady golfers. Thank you to all our members who 'pitch in' in any way needed to enable us and our visitors to enjoy these events. Our pennant teams weren't the winners this year with South West Rocks winning the CNC event. Our MNC players were runners-up – well done ladies. We will be keen to be playing for our club again next year. The club championships will be held in October and promise to be keenly contested.

The ladies are always grateful for the efforts that go into presenting us with a fabulous venue to enjoy our golf. On behalf of the ladies I thank General Manager Johnathon and the strong Board of Directors that make this possible both on the course and in the club house. The improvements in recent years are nothing short of fantastic. Your hard work is appreciated. Our thanks also go to course superintendant Greg and his team, to Craig and the restaurant staff and Kyle and the team in the bar and office. Paul, Grant, Jo and our Pro Shop crew are amazing. Our every golf need is looked after and Grant's golf lessons are great!

Thank you to our many sponsors. These people so generously support ladies golf throughout the year and it is greatly appreciated. They are Mid Coast Trucks, Lavery's Funerals, Eye Care Plus, Terminator and Pest Control, BMW Carpets and Pizza This Pizza That. Thank you also to the ladies that sponsor during the year.

Thank you Robyn Jones, Lyn Grose, Kay McGoldrick and the 'garden gurus' for the work you do around the course and club house. We are grateful to all our volunteers.

Nambucca Lady Golfers are very proud of our golf club.

Jan Harris

President Womens Golf Section.

SQUASH REPORT

After quite a few years of external disruption, our Squash related activities have enjoyed a clear run in the 2022-2023 year.

We completed four very successful Squash Competitions during the year and also witnessed as 30% increase in participation numbers. New players have embraced our somewhat different “match” format and have enjoyed the goodwill and support that they are receiving from many of our highly skilled players.

In October 2022 and again in May 2023, we were pleased to host the “North Coast Junior Pathways Program” under the guidance of Jemma Wratten, NSW State Junior Squash Coach. It is always exciting to witness the growth of young players.

During November we held a Doubles Event, where players from Scotts Heads to Woolgoolga and up to Dorrigo, were invited to challenge for bragging rights. This has become a popular “end of year event” where quality players come to Nambucca to test themselves against Nambucca’s finest. While the quality of squash is very high, the social aspects, namely food, drink, bragging and laughing make for a wonderful social event.

Thursday Night Social Squash is always popular with those who:

- Hope to improve their skills, in readiness to join future Competition
- are not able to commit time to a full round of Competition Squash
- Just turn up to have a laugh.

Havving said that, in the last year we have seen growth in the number of senior players who have offered their support and “ad-hoc” coaching tips to many of our social players. The amount of time that the experienced players have offered is heartwarming.

We have often referred to our squash players as “Family”. This year, more than ever, we have witnessed further growth in this social dynamic.

We are FAMILY.

Bruce Graham,

President Squash Section.

**NAMBUCCA HEADS ISLAND GOLF CLUB LIMITED
MINUTES OF THE ANNUAL GENERAL MEETING 2022**

HELD AT: Nambucca Heads Island Golf Club, Stuart Island, Nambucca Heads NSW.

Date: 20th November 2022 at 10.00am

1. Opening & Welcome

The President, Geoff Harris welcomed the members and declared the meeting opened.

2. Attendance Quorum and Apologies.

- Attendees as per attached sheet – minimum attendance for quorum is met.
- Apologies: Stuart Garvey, Julie Garvey, Rodney Ford, Chris Thorndike.

It was moved by David Ogilvy and seconded by Sue Brooks that the Club had sufficient numbers to satisfy its quorum requirements and acknowledged apologies.

CARRIED RESOLUTION

3. Receipt and confirmation of the minutes of the Annual General Meeting 28th November 2021

Matters Arising: Nil.

It was moved by David Ogilvy and seconded by Sue Brooks that the Minutes of the 2021 Annual General Meeting of the Club be accepted.

CARRIED RESOLUTION

4. Receipt and adoption of the Directors and Officer bearers' reports

4.1 President's Report – Geoffrey Harris spoke to his report, highlighting the following;

- There have been a substantial number of days with course closures due to conditions over the past 12 months. This had a material effect on trade and there have been further days with access issues due to the Causeway being underwater from high tides.
- The Club is cashflow positive but has posted a trading loss in part due to a significant amount of depreciation. This is positive as when taken with the disruptions to trade the Club has traded profitably when course and access have not been issues.
- Over the 12 months there has been a decided effort to keep reducing the Club's long term debts. This has been achieved along with capital purchases such as improvements in the kitchen and repair works to the course after further course floods.
- The staff at the Club have banded together multiple times throughout the year. The course staff having dealt with four floods in 2 years. The restaurant and bar staff were able to increase their operations which attracted more patrons and helped the Club be able to continue operating at a sufficient cashflow level to fund course works.
- The restaurant has had a strong year but is under pressure now from Cost of Good increases much like everyone's household groceries. New menus and specials reflect these pressures.
- Many thanks to the Board over the previous twelve (12) month. The decision making process has been well contested, with viewpoints being heard and considered before full agreement has been reached.
- Many thanks to our many volunteers who keep raising their hands to support the Club. All are appreciated by Board staff, members and our volunteers.

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- Thank you to the Womens Committee for their work in supporting Womens Golf at the Club and their contribution to Club projects.
- The Squash Committee has had a tough twelve (12) months being one of the most affected sports due to Covid outbreaks. Well done to Committee for keeping people engaged in Squash and looking at increasing numbers.
- Our Club Professional Paul and his team in the Pro Shop have endured a horrendous past eighteen (18) months and they are to be congratulated for working their way through the, hopefully, worst of it, and being the face of the Club's golf operations. A five (5) year contract extension was negotiated during the year and this should provide both Pro Shop and members confidence of the Commitment of both.
- Many thanks to the Clubs Sponsors from our Tee Sponsors and Major Event Sponsors through to the smallest contributors. All combine to help provide the Club with the opportunity to provide more to the community.

Crownlands, Licence and Causeway

- The Club has had discussions at all levels of government in relation to the Club's Licence and the Causeway. In particular, discussions have been held with the NSW State Minister for Crownlands, Kevin Anderson MP. A fair hearing was held where the Club position in relation to the Licence, Causeway and other matters have been heard.
- The Club has been advised that the Plan of Management that is required to be on display to the public for one (1) month once approved is with the Minister's office for signing. On signing the manager of the Club's Licence will remain with Crownlands rather than return to Council as the previous 1year licences have been. The Club will pursue a longer term licence once the Plan of Management has been through the consultation phase.
- Raising the Causeway is a material goal of the Club to ensure continuity of trade. The Club has been advised of support at multiple government levels and from multiple community and business organisations. However, investigations have slowed due to funding issues with a minimum of \$160,000 required to conduct environmental and river flow studies.

Nambucca Heads Bowling and Recreation Club Ltd Labour Hire Agreement

- This is a material endeavour that has occurred post the Club's end of financial year 30 June 2022.
- The Club has entered into a short term Labour Hire Agreement to assist the Bowls Club through its staffing issues. The Club was approached by the Bowls Club to assist and it was deemed to be important to not only the Club, the Bowls Club but also the community that the Bowls Club remain in local community hands with a strong focus on community engagement.
- At no stage have either Club discussed nor put forward any thoughts on mergers, amalgamations or takeovers.
- Welcome to the Bowls Club President Kenneth Rostron who is in attendance today.
- At the cessation of the short term agreement discussion may be held on a more permanent arrangement but both Clubs believe that retaining separate Boards is in the best interest of both Clubs. However, sharing of some functions is likely to be preferable, especially with the pooling of Administration costs and contract negotiations being more favourable with greater turnover.

It was moved by Jenny Johnston and seconded by Coral McCann that the Presidents Report for 2022 be accepted.

CARRIED RESOLUTION

4.2 **Treasurer's Report** – Andrew Johnston spoke to his report and highlighted the following:

For the Year Ended 30 June 2023

- The Treasurer noted that the material Profit and Loss and Balance Sheet items have been covered in the President's address to members.
- It is important to note that the Club is still making pleasing progress given testing times and it is the intention of the Board to keep that progress in tact.
- Heres to good weather for the next 12 months.

It was moved by Jenny Johnston and seconded by Barrie Nicholson that the Presidents Report for 2022 be accepted.

CARRIED RESOLUTION

5. Receipt and Adoption of Balance Sheet, Director's Report, Auditor's Independence Declaration, Statement of Profit & Loss, Financial Position, Changes in Equity, Cash Flows, Notes to Financial Statements, Director's Declaration & Independent Audit Report.

All of the above have been circulated in the Annual Report and taken as read.

It was moved by moved Jenny Thorne and seconded by Barrie Nicholson that the that the above report be accepted.

CARRIED RESOLUTION

7. Notify the result of Ballot & Declaration of Office Bearers for 2022-2023, and elect Office Bearers to any vacant positions.

The Chairperson thanked Sue Seymour for her contribution as a Board member of over the previous few years. The Chairperson welcomed Johnathon Zirkler to the floor. Mr Zirkler thanked the outgoing Board for their contribution over the previous twelve (12) months and advised the meeting the number of nominations for Board did not exceed the number of vacancies available. All nominees were elected unopposed.

President: Geoff Harris is elected unopposed.

Vice President – Kel McGoldrick elected unopposed.

Captain or Golf Director – Geoff McCann elected unopposed.

Treasurer – Andrew Johnston elected unopposed.

Directors – Judy Boyle, Geoff Brooks and Wendy Avery elected unopposed.

Geoff Harris continued to act as Chairperson for the remainder of the meeting.

The Chairperson wished to thank outgoing Board member Sue Seymour for her great contribution to the Club. This included Being Womens President from 2013 to 2019, on the Board originally in 2016 being resigning and returning in 2019 until present.

8. General Business.

There were no General Business matters submitted prior to the meeting for formal discussion. Verbal questions were taken from the floor:

- P Giddey:
 - Is it possible to view the profitability for each department? The meeting was advised yes if the request is made through the appropriate channels.
 - As the Club does not disclose the management accounts can they be issued to members automatically? This to be discussed at Board level. The three (3) monthly reports are no longer required to be distributed to members, however, the Board's

For the Year Ended 30 June 2023

position is to keep putting these onto the Members Noticeboard for members to view.

- Cart Shed being open longer than 5pm. This is a matter that will be brought for consideration to the Board.
- The President mentions the Club's Business Model. The Business Model includes the Budgets that are prepared prior to the commencement of each financial year. These budgets include normal operations but also negative budgets for when bad weather or other outside influence exists. Presently the Club has been above the negative budgets and accordingly has not been required to enact some of the options available to preserve assets and capital.
- S Brooks: Asked for the meeting to thank the Board for their work, effort and community mindedness in particular with helping out the Bowls Club when they needed it.
- B Nicholson: The discussion between the Bowls Club and the Golf Club was that the Labour Hire Agreement was not a takeover of the Bowls nor was it intended to lead to a takeover. IS it possible to approach the local Newspaper to run a story confirming that the Golf Club is merely helping not takeover?
- P Moxon: The Board does have priorities for upgrades to the Clubs sound system and carpets. Unfortunately due to the preceding eighteen (18) months of interrupted trade funds have had to be prioritised to those areas considered more immediate in getting the Club's trade back to a suitable level.
- B Usher: The Club has considered multiple tee same day events, however at this stage this will not be introduced to the Club's program.
- C Rathbone: Preferred Lies will be addressed by the Golf Operations Committee at each monthly meeting.

There being no further business, President Geoff Harris thanked all for their attendance, declared meeting closed at 10.35am.

Signed as a true record of proceedings

/ / 2023

(Geoffrey HARRIS, President NHIGC)

Nambucca Heads Island Golf Club Ltd

ABN: 79002470582

Financial Statements

For the year ended 30 June 2023

Nambucca Heads Island Golf Club Ltd

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Nambucca Heads Island Golf Club Ltd

Directors' report

30 June 2023

The directors present their report on Nambucca Heads Island Golf Club Ltd for the financial year ended 30 June 2023.

Information on directors

The names of each person who has been a director during the year and to date of the report are:

Geoffrey Harris

Responsibilities:	President
Qualifications:	Retired CEO
Experience:	30 years as CEO and Company Director
Appointed:	4 November 2018

Malcolm McGoldrick

Responsibilities:	Vice President
Qualifications:	Electrical Contractor
Experience:	Previous Company Director
Appointed:	4 November 2018

Andrew Johnston

Responsibilities:	Treasurer
Qualifications:	Retired Secondary School Principal
Experience:	Previous Director
Appointed:	19 November 2017
Resigned:	13 October 2023

Susan Seymour

Responsibilities:	Director
Qualifications:	Retired School Teacher
Experience:	Previous Company Director
Appointed:	4 November 2018
Resigned:	20 November 2022

Judith Boyle

Responsibilities:	Director
Qualifications:	Former Business Owner
Experience:	Former Business Owner
Appointed:	3 November 2019

Nambucca Heads Island Golf Club Ltd

Directors' report

30 June 2023

Arthur Geoffrey McCann

Responsibilities: Director
Qualifications: Retired Banker
Experience: Previous Treasurer and Company Director
Appointed: 29 November 2020

Geoffrey Thomas Brooks

Responsibilities: Greens
Qualifications: Retired Superintendent Locomotive Depot
Experience: Previous President, Vice President Lithgow Golf Club
Appointed: 1 May 2021

Wendy Avery

Responsibilities: Director
Qualifications: Retired Secondary Teacher
Experience: Head of Department
Appointed: 20 November 2022

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Meetings of directors

During the financial year, 13 meetings of directors were held. Attendances by each director during the year were as follows:

Director's Name	Eligible to attend	Number attended
Geoffrey Harris	13	13
Malcolm McGoldrick	13	10
Andrew Johnston	13	12
Susan Seymour	4	3
Judith Boyle	13	12
Arthur Geoffrey McCann	13	11
Geoffrey Thomas Brooks	13	11
Wendy Avery	9	8

Nambucca Heads Island Golf Club Ltd

Directors' report

30 June 2023

Principal activities

The principal activity of Nambucca Heads Island Golf Club Ltd during the financial year was the provision of a first-class golf course and other recreational facilities and services at an affordable price to its members and visitors.

No significant changes in the nature of the Company's activity occurred during the financial year.

Operating results

The (loss)/profit of the Company after providing for income tax amounted to (\$17,628) (2022: \$81,221).

Short term objectives of the Club

The Company's short-term objectives are to:

- a. Offer first class golf course, recreational facilities and hospitality services at an affordable price to its members and visitors;
- b. Operate at a trading surplus to re-invest in the golf course and modernise clubhouse facilities;
- c. Seek to diversify the Club's operations to increase revenue and reduce dependence upon golf patronage and good weather;
- d. Promote the game of golf to people of all ages and abilities.

Long term objectives

The Company's long-term objectives are to:

- a. Offer the best possible golf course and Clubhouse engagement that encourages golf and social membership;
- b. Be recognised as a leader in the provision of Golfing events and function services. Establish and maintain relationships with local businesses that will foster reciprocal support;
- c. Be sustainable and strive for continuous improvement so as to offer the best possible outcomes for all activities undertaken;
- d. Support, through participation, other local not for profit organisations and charities to develop the local community and enhance the Nambucca Valley.

Nambucca Heads Island Golf Club Ltd

Directors' report

30 June 2023

Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- a. Development and continuous referral to a Strategic model under which detailed analysis of the Club's strengths, weaknesses, opportunities and threats, and annual budgeting with detailed economic, environmental and other trading assumptions is undertaken;
- b. Continuous Clubhouse and course improvements for aesthetics, functionality, environment, cultural and cost reduction factors;
- c. Implementation of product specific marketing supported by a focused advertising plan;
- d. Succession planning for key whole of operation positions.

Performance measures

The following measures are used within the Company to monitor performance:

- Monthly meetings of various sub-committees and management team with a full review of trading results by the Finance Committee to the Board of Directors;
- Using a variety of statistics, financial ratios and Key Performance Indicators to monitor golf and club patronage levels, and control expenses against income.
- Use of updated operations software to provide key movements and trends in participation and product delivery.

Corporate information

The Club is a "not-for-profit" entity, registered as a company limited by guarantee. Under its constitution the company is prohibited from the payment of dividends to its members. Any surplus on winding up will be distributed to an organisation which has similar objects as dictated by the Constitution.

If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$2 each towards any outstanding obligations of the Company. At 30 June 2023, the total amount that members of the Company are liable to contribute if the Company wound up is \$3,976 (2022 - \$3,366).

Property classification

In accordance with the Registered Club's Amendment Regulations 2007, the Board has determined the following Club Property Classifications:

Core Property: Stuart Island, Nambucca Heads

Lot 512 in DP 41534 - 2023 square metres where the Clubhouse is situated.

Nambucca Heads Island Golf Club Ltd

Directors' report

30 June 2023

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Indemnification and insurance of officers and auditors

The Club has not during or since the financial year in respect of any person who is or has been an officer or auditor of the club:

1. Indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
2. Paid or agreed to pay a premium in respect of a contract insuring against a liability as an officer for the costs or expenses to defend the legal proceedings.

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2023 has been received and can be found on page 7 of the financial report.

Signed in accordance with a resolution of the Board of directors made pursuant to Section 298(2) of the *Corporations Act 2001*.



Geoffrey Harris
President

Dated: 24 October 2023



Malcolm McCordrick
Vice President



24 October 2023

To the Board of Directors
Nambucca Heads Island Golf Club Ltd
Stuart Island
Nambucca Heads NSW 2448

Auditor's independence declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, there have been:

- no contraventions of the auditor independence requirements as set out in section 307C of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

HLV Audit Pty Ltd

Angela Holladay
Director
Nambucca Heads

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Nambucca Heads Island Golf Club Ltd

Statement of income and retained earnings

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	5	2,977,485	2,339,191
Finance income	7	574	73
Other income	5	130,891	92,194
Total income		3,108,950	2,431,458
Raw materials and consumables used		(764,881)	(586,725)
Depreciation and amortisation		(186,284)	(174,227)
Employee benefit expenses		(1,292,717)	(1,044,898)
Finance expenses	7	(20,458)	(15,997)
Other expenses	6	(862,238)	(690,832)
Total expenses		(3,126,578)	(2,512,679)
Profit (loss) before income taxes		(17,628)	(81,221)
Income tax	3.a	-	-
Profit (loss) for the year		(17,628)	(81,221)
Retained earnings	Note	2023 \$	2022 \$
Opening balance		268,220	349,441
Loss for the year		(17,628)	(81,221)
Retained earnings at the end of the year		250,592	268,220

The accompanying notes form part of these financial statements.

Nambucca Heads Island Golf Club Ltd

Statement of financial position

As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	9	242,668	223,506
Trade and other receivables	11	18,446	50,423
Inventories	12	81,049	77,295
Other assets	13	65,629	26,044
Total current assets		407,792	377,268
Non-current assets			
Property, plant and equipment	14	768,631	690,623
Right-of-use assets	18	57,518	74,078
Total non-current assets		826,149	764,701
Total assets		1,233,941	1,141,969
Liabilities			
Current liabilities			
Trade and other payables	15	250,264	154,410
Borrowings	16	51,026	48,344
Employee benefits	17	86,160	74,693
Lease liabilities	18	114,637	82,961
Deferred income	19	175,981	176,665
Total current liabilities		678,068	537,073
Non-current liabilities			
Borrowings	16	166,907	152,474
Employee benefits	17	18,270	12,421
Lease liabilities	18	120,104	167,406
Deferred income	19	-	4,375
Total non-current liabilities		305,281	336,676
Total liabilities		983,349	873,749
Net assets		250,592	268,220
Equity			
Retained earnings		250,592	268,220
Total equity		250,592	268,220

The accompanying notes form part of these financial statements.

Nambucca Heads Island Golf Club Ltd

Statement of cash flows

For the year ended 30 June 2023

	2023	2022
	\$	\$
Cash flows from operating activities:		
Receipts from customers	3,412,435	2,696,049
Payments to suppliers and employees	(3,171,527)	(2,490,884)
Interest received	574	73
Interest paid	(20,458)	(15,997)
Net cash flows from/(used in) operating activities	221,024	189,241
Cash flows from investing activities:		
Purchase of property, plant and equipment	(117,102)	(58,749)
Net cash provided by/(used in) investing activities	(117,102)	(58,749)
Cash flows from financing activities:		
Proceeds from borrowings	83,000	40,000
Repayment of borrowings	(65,886)	(160,628)
Repayment of lease liabilities	(101,874)	(76,474)
Net cash provided by/(used in) financing activities	(84,760)	(197,102)
Net increase/(decrease) in cash and cash equivalents	19,162	(66,610)
Cash and cash equivalents at beginning of year	223,506	290,116
Cash and cash equivalents at end of financial year	242,668	223,506

The accompanying notes form part of these financial statements.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

1. Introduction

The financial report covers Nambucca Heads Island Golf Club Ltd as an individual entity. Nambucca Heads Island Golf Club Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2023 were operating as a Registered Club and the provision of a first-class golf course and other recreational facilities. The functional and presentation currency of Nambucca Heads Island Golf Club Ltd is Australian dollars.

The principal activities of the Company for the year ended 30 June 2023 were operating as a Registered Club and the provision of a first-class golf course and other recreational facilities. The function and presentation currency of Nambucca Heads Island Golf Club Ltd is Australian dollars..

The financial report was authorised for issue by the Directors on 24 October 2023.

2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Comparatives are consistent with prior years, unless otherwise stated.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been applied consistently unless otherwise stated.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

3. Summary of significant accounting policies

a. Income tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

b. Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST.

Cash flows in the Statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

c. Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets. Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

d. Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

i. Financial assets

Classification

On initial recognition, the Company classifies its financial assets into those measured at amortised cost. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method (where material) less provision for impairment. Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default. The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

ii. Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method (where material). The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

e. Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time for reporting the reporting period ending 30 June 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performances or cash flow of the Company.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

4. Critical accounting estimates and judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances. These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates. The significant estimates and judgements made have been described below.

a. Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

b. Key estimates - estimated useful lives

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite or indefinite life of any intangible assets held. The useful lives could change as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

c. Key estimates - employee benefits

The Company provides for employee benefits as a liability arising from services rendered by employees to the end of the reporting period. In determining the liability, consideration is given to expected employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in the profit or loss.

d. Key judgements - lease classification

The Company is a party to a number of lease arrangements in relation to their poker machine and golf course equipment, as well as the the license to occupy the land on which the golf course has been constructed. Review of the minimum lease payments, lease terms, other terms and conditions in these agreements have been assessed against the criteria in AASB16 *Leases*. Agreements that meet the criteria have been classified as leases and recognised in the statement of financial position as right of uses assets with corresponding lease liabilities.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

5. Revenue and other income

a. Accounting policy

i. Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability. None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

ii. Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Sale of goods and provision of services

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods. Sales income, including bar sales, net poker machine takings, green fees, competition fees and other general sales are cash at point of sales and there are no specific ongoing performance obligations connected with the revenue. This revenue is recognised upon receipt.

Membership Subscriptions

Revenue from the provision of membership subscriptions are recognised in the year in which they relate to as this is deemed to be the point in time when the risks and rewards are transferred. Payments are generally received in advance. If paid prior to the year commencing, this is shown as a liability in the balance sheet and recognised as revenue on a straight-line basis over the period of membership.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

Grants or subsidies (including economic stimulus)

The Company assesses the specific facts and circumstances of each grant or subsidy received to determine the appropriate application of revenue recognition requirements. These will generally vary between AASB 15 Revenue from Contracts with Customers (recognised as performance obligations are satisfied) or AASB 1058 Income for Not-for-Profit Entities (recognised immediately in the profit or loss once irrevocably entitled).

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

For consideration received under agreements that are either not enforceable or do not have sufficiently specific performance obligations are recognised in accordance with AASB 1058, either as:

1. Income immediately in the profit or loss for the excess of the initial carrying amount of an asset over any related amounts recognised in accordance with other Standards; or
2. Where the transfer of those grants are to enable the acquisition or construction of a recognisable non-financial asset that is to be controlled by the entity, as income in the profit or loss when (or as) the entity satisfies its obligations under that transfer.

Gain on disposal of non-current assets

When a non-current asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

iii. Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

b. Revenue from continuing operations

	2023	2022
	\$	\$
Revenue from contracts with customers		
Bar Sales	834,108	674,099
Sales Restaurant	904,917	722,144
Poker Machine Takings	244,785	262,650
Competition Fees	248,229	194,851
Green Fees	202,762	132,583
Subscriptions	171,307	163,924
Advertising and Sponsorship	38,009	33,997
Cart Shed Rental	10,804	9,827
Fuel Tax Credits	4,286	3,480
Membership - Social	10,667	8,625
Poker Machine GST Offset	17,180	17,180
Keno Commission	25,025	21,153
ATM Commissions	4,850	4,292
Raffle Income	32,378	51,593
Bingo Income	6,693	11,932
Squash Fees	8,230	5,834
Functions and room hire	6,555	4,772
Other revenue	6,701	2,104
Donations Received	15,087	14,151
Labour Hire	184,912	-
Total revenue	2,977,485	2,339,191

c. Other income

	2023	2022
	\$	\$
Grants and subsidies	130,891	92,194

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

6. Result for the year

The result for the year includes the following specific expenses:

Description	2023 \$	2022 \$
Advertising	16,166	13,235
Affiliation fees	19,381	14,960
Auditor's remuneration	19,700	19,680
Bank charges	2,361	2,471
Bank merchant fees	11,877	14,162
Bingo expenses	8,957	16,701
Bookkeeping fees	175	2,098
Cleaning supplies and chemicals	5,369	5,393
Commission to agents	76,561	53,292
Computer and IT expenses	21,414	19,360
Courtesy bus and MV expenses	2,740	2,086
Donations paid	1,983	-
Electricity and gas	69,814	56,794
Entertainment and promotions	35,708	23,463
Equipment purchases < \$1,000	9,794	8,170
Fuels and oils	18,801	16,326
Insurance expenses	57,631	51,508
Laundry services	4,083	3,421
Lease - Stuart Island	-	725
Loss on disposal of assets	3,619	-
Members draw expense	22,273	20,046
Poker machine and keno maintenance	16,926	16,551
Printing, postage and stationery	7,247	8,573
Raffles expense	32,684	51,097
Rates and water	50,793	45,664
Repairs and maintenance	162,285	69,749
Security	19,725	14,590
Soil, seed and fertilisers	43,423	39,130
Staff amenities and uniforms	18,358	13,096
Subscriptions & fees	17,620	14,300
Telephone and internet	5,073	7,286
Trophies - Golf	60,266	50,869
Other miscellaneous expenses	19,431	16,036
Total	862,238	690,832

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

7. Finance income and expenses

Finance income	2023	2022
	\$	\$
Interest income	574	73
Finance expenses	2023	2022
	\$	\$
Interest expense on loans	7,336	5,476
Interest expense on lease liability	13,122	10,521
Total interest expense	20,458	15,997

8. Auditor's remuneration

	2023	2022
	\$	\$
HLV Audit Pty Ltd		
Audit of the financial report	15,100	14,700
Other remuneration of the auditor	4,600	4,980
Total Auditor Remuneration	19,700	19,680

Other services include assistance with the preparation of the financial report and resolving queries.

9. Cash and cash equivalents

a. Accounting policy

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

b. Cash and cash equivalent details

	2023	2022
	\$	\$
Cash at bank and on hand	242,668	223,506

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

10. Cash flow information

Reconciliation of net income to net cash provided by operating activities:

	2023	2022
	\$	\$
Loss for the year	(17,628)	(81,221)
Add / (less) non-cash items:		
(Profit) / loss on sale of assets	3,619	-
Depreciation and amortisation	186,284	174,227
Changes in assets and liabilities:		
(increase) / decrease in receivables	31,977	59,641
(increase) / decrease in inventories	(3,754)	(6,375)
(increase) / decrease in other assets	(39,585)	(8,079)
increase / (decrease) in employee benefits	17,316	8,516
increase / (decrease) in trade payables	47,854	14,286
increase / (decrease) in deferred income	(5,059)	28,250
Cash flows from operations	221,024	189,245

11. Trade and other receivables

Current	2023	2022
	\$	\$
Trade receivables	14,144	29,023
ATM settlement receivable	2,510	5,660
EFTPOS settlement receivable	1,792	13,869
NSW Gov Vouchers Clearing Account	-	1,871
Total Trade and other receivables	18,446	50,423

12. Inventories

a. Accounting policy

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

b. Inventory details

Current	2023	2022
	\$	\$
Bar - at cost	42,093	40,361
Restaurant - at cost	9,198	7,382
Course - at cost	29,758	29,552
Total inventory	81,049	77,295

13. Other assets

Current	2023	2022
	\$	\$
Prepayments	64,355	24,689
Subclub assets	1,274	1,355
Total other assets	65,629	26,044

14. Property, plant and equipment

a. Accounting policy

Each class of property, plant and equipment is measured using the cost model and is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

i. Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line and reducing balance basis over the asset's useful life to the Company, commencing when the asset is ready for use.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Land	N/A
Buildings	2.5% - 20%
Plant and equipment	5.0% - 50%
Leasehold improvements	5.0% - 20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate. When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

b. Property, plant and equipment details

Summary	2023 \$	2022 \$
Land - at cost	42,594	42,594
Buildings		
Buildings - at cost	588,770	633,075
Accumulated depreciation	(381,519)	(416,610)
Total Buildings	207,251	216,465
Plant and equipment		
Plant and equipment - at cost	1,156,464	1,580,801
Accumulated depreciation	(657,289)	(1,171,248)
Total Plant and equipment	499,175	409,553
Leasehold improvements		
Leasehold improvements - at cost	37,708	661,897
Accumulated depreciation	(18,097)	(639,886)
Total Leasehold improvements	19,611	22,011
Total Property, plant and equipment	768,631	690,623

Movement in carrying amounts

2023	Land \$	Buildings \$	Plant and equipment \$	Leasehold improvement s \$	Total \$
Opening balance	42,594	216,465	409,553	22,011	690,623
Additions	-	14,964	233,774	-	248,738
Disposals	-	-	(3,545)	(74)	(3,619)
Depreciation expense	-	(24,178)	(140,607)	(2,326)	(167,111)
Closing balance	42,594	207,251	499,175	19,611	768,631

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

15. Trade and other payables

Current	2023 \$	2022 \$
Trade payables	176,942	85,349
ATO liabilities	22,908	26,507
Accrued expenses	17,511	15,686
Superannuation payable	10,192	9,715
Prize and top up accounts	22,711	17,153
Total trade and other payables	250,264	154,410

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

16. Borrowings

Current	2023 \$	2022 \$
Secured		
Bank loans	31,189	29,525
Other borrowings	19,837	18,819
	51,026	48,344
Non-current	2023 \$	2022 \$
Secured		
Bank loans	132,187	97,918
Other borrowings	34,720	54,556
	166,907	152,474

a. Summary of borrowings

- A BetterBusiness Loan with the Commonwealth Bank with a facility limit of \$365,380. The loan has an 11 year and 10 month term bearing a variable interest rate and monthly repayments of principal and interest commencing in July 2017. During the year the Club made additional principal payments and the redraw available at 30 June 2023 was \$40,964.72.
- An overdraft facility with the Commonwealth Bank with a limit of \$50,000.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

- A Chattel Mortgage agreement for the purchase of a Toro Sprayer for \$20,000 for a 5-year term commencing in May 2020 with an upfront payment and 60 monthly payments of \$343.11. The interest rate is fixed at 5% per annum. The mortgage is secured by the underlying asset.
- A Chattel Mortgage agreement for the purchase of a Toro Procore for \$41,376 for a 5-year term commencing in March 2021 with an upfront payment and 60 monthly payments of \$770.44. The interest rate is fixed at 4.45% per annum. The mortgage is secured by the underlying asset.
- A Chattel Mortgage agreement for the purchase of a Toro Workman Ute for \$24,010 for a 5-year term commencing in April 2022 with 60 monthly payments of \$466.98. The interest rate is fixed at 6.25% per annum. The mortgage is secured by the underlying asset.
- A Chattel Mortgage agreement for the purchase of a Toro SandPro for \$8,812 a 3-year term commencing in April 2022 with 36 monthly payments of \$275.80. The interest rate is fixed at 6.49% per annum. The mortgage is secured by the underlying asset.

The security for the Commonwealth Bank facilities consists of a registered first mortgage over the land and buildings owned by the Club, as well as a registered equitable mortgage and floating charge over the assets and undertakings of the Club.

b. Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

17. Employee benefits

a. Accounting policy

Provision is made for the Company's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Changes in the measurement of the liability are recognised in profit or loss.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

b. Employee benefit details

Current	2023	2022
	\$	\$
Annual leave	61,704	56,601
Long service leave	24,456	18,092
Total current employee benefits	86,160	74,693

Non-current	2023	2022
	\$	\$
Long service leave	18,270	12,421
Total non-current employee benefits	18,270	12,421

18. Leases

a. Accounting policy

At inception of a contract, the Company assesses whether a lease exists. i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

i. Lessee accounting

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised. The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used. Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term. Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

b. Company as a lessee

The Company has leases over a range of assets including land, course machinery and equipment, and poker machines as follows:

i. Terms and conditions of leases

- A Toro Greens Mower and Rough Mower for a 5-year term effective April 2020 with 60 monthly payments of \$1,392.96.
- A Toro Surrounds Mower and Fairway Mower for a 5-year term effective May 2020 with 60 monthly payments of \$2,221.38.
- Two poker machines for a 3-year term effective November 2021 with 36 monthly payments of \$2,372.
- Two poker machines for a 3-year term effective November 2022 with 36 monthly payments of \$2,372.

ii. Concessionary leases

- During the year, the Directors entered into a licence agreement with the Department of Planning, Industry and Environment – Crown Lands to occupy the land on Stuart Island on which the golf course has been constructed. This agreement is for a five year term with a commencement date of 4 August 2021. The annual amount payable is \$20,720 plus GST with a review period after 3 years. This lease liability has been measured in accordance with AASB16 leases, calculating the present value of the future lease payments, using the incremental borrowing rate of 4%.

iii. Right-of-use assets

2023	Land \$	Total \$
Opening balance	74,078	74,078
Depreciation charge	(19,173)	(19,173)
Adjustment to right-of-use assets	2,614	2,614
Closing balance	57,519	57,519

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

The Company has elected to measure the right-of-use asset arising from the concessionary lease for the use of the land in Stuart Island at cost which is based on the associated lease liability. This has been recognised in the statement of financial position as a right of use asset with a carrying amount of \$57,519 at 30 June 2023.

The right of use assets related the leases for the Toro equipment and poker machines described in note 14(b)(i) above have been recognised in Property, Plant and Equipment in note 13 of these financial statements. The total carrying amount of the underlying leased assets was \$209,401 at 30 June 2023.

iv. Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	2023	2022
	\$	\$
< 1 year	117,020	91,836
1 - 5 years	123,630	176,075
Total undiscounted lease liabilities	240,650	267,911
Lease liabilities included in the statement of financial position	234,741	250,367

v. Statement of income and retained earnings

The amounts recognised in the statement of income and retained earnings relating to interest expense on lease liabilities and short-term leases or leases of low value assets are shown below:

	2023	2022
	\$	\$
Expenses relating to short term leases	-	725
Expenses relating to leases of low value assets	-	1,366
Interest expense on lease liabilities	13,122	10,521

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

19. Deferred income

Current	2023 \$	2022 \$
Subscriptions in advance	153,459	146,753
Sponsorship in advance	1,500	13,009
Tournaments in advance	6,888	595
Cart shed in advance	6,019	5,929
Rebates in advance	4,375	7,500
Functions deposits and other liabilities	3,740	2,879
Total current deferred income	175,981	176,665
Non-current	2023 \$	2022 \$
Rebates in advance	-	4,375
Total non-current deferred income	-	4,375

20. Contracted commitments

From the end of the financial year and until the date of this financial report, the Directors have not committed to any capital expenditure.

21. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 2023 (2022: None).

22. Related parties

a. The Company's main related parties are as follows:

Related parties include key management personnel and those charged with governance (the Directors of the Club). The remuneration paid to key management personnel of the Company is \$347,734 (2022: \$278,847).

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Notes to the financial statements

Nambucca Heads Island Golf Club Ltd

For the year ended 30 June 2023

b. Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. During the year there were no related party transactions.

23. Events occurring after the reporting date

This financial report was authorised for issue by the Board of Director on 24 October 2023.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

24. Statutory information

The registered office and principal place of business of the Company is:

Nambucca Heads Island Golf Club Ltd

Stuart Island

Nambucca Heads NSW Australia

2448

Nambucca Heads Island Golf Club Ltd

Directors' declaration

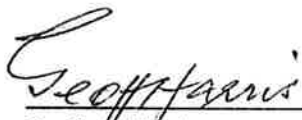
The directors of the Company declare that:

The financial statements and notes for the year ended 30 June 2023 are in accordance with the *Corporations Act 2001* and:

- comply with the Australian Accounting Standards - Simplified Disclosures; and
- give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company.

In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Geoffrey Harris
President

Dated: 24 October 2023


Malcolm McGoldrick
Vice President



Independent audit report to the members of Nambucca Heads Island Golf Club Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a simplified disclosure financial statement of Nambucca Heads Island Golf Club Ltd (the Company), which comprises the statement of financial position as at 30 June 2023, the Statement of income and retained earnings, the Statement of changes in equity and the Statement of cash flows for the year then ended, Notes to the financial statements and the Directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- ii. complying with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this audit report is included in the Directors' report, but does not include the financial report and our audit report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

A handwritten signature in cursive script that reads 'HLV Audit'.

HLV Audit Pty Ltd

A handwritten signature in cursive script that reads 'Angela Holladay'.

Angela Holladay

Director

Nambucca Heads

24 October 2023